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E.O. 11652: GDS, 12-31-82

TAGS: MCAF, NATO

SUBJ: NATO FORCE PROPOSALS/GOALS - UNITED KINGDOM

REF: USNATO 1014

TEXT OF DRAFT COUNTRY CHAPTER (EXCEPT FOR INTRODUCTION) ON
1975-80 DRAFT FORCE GOALS FOR UNITED KINGDOM (DRC/WP(74)1)
IS QUOTED BELOW:

BEGIN TEXT:

II. FORCE PROPOSALS

4. THE MAIN QUANTITATIVE CHANGES AND QUALITATIVE
IMPROVEMENTS FOR THE FORCES PLANNED BY THE UNITED KINGDOM AND
THE PRINCIPAL IMPROVEMENTS PROPOSED BY THE NATO MILITARY
AUTHORITIES ARE SUMMARISED BRIEFLY BELOW.

ARMY

5. THE CURRENT UNITED KINGDOM PLANS FOR THE PERIOD 1974-
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1978 PLACE ITS PRINCIPAL EMPHASIS ON RE-EQUIPMENT OF THE ARMY
(INTRODUCTION OF THE SCORPION LIGHT TANK AND ITS DERIVATIVES
SCIMITAR AND STRIKER, THE LATTER EQUIPPED WITH SWINGFIRE
MISSILE LAUNCHERS), REPLACEMENT OF THE SCOUT HELICOPTER BY

THE LYNX HELICOPTER, ISSUES OF NEW ARTILLERY, SUCH AS NEW 105MM LIGHT GUNS, AND THE 155 MM HOWITZER (FHQ-70. SWINGFIRE ANTI-TANK GUIDED MISSILES WILL ENTER SERVICE IN MECHANISED BATTALIONS AND WILL ALSO BE CARRIED ON ARMY HELICOPTERS. LOW LEVEL AIR DEFENCE WILL BE IMPROVED BY THE BLOWPIPE AIR DEFENCE GUIDED MISSILE SYSTEM AND THE RAPIER MOBILE MISSILE SYSTEM WHICH ARE BEING PHASED IN. IN ADDITION, 12 LAUNCHERS OF THE LANCE SURFACE-TO-SURFACE MISSILE SYSTEM WILL REPLACE THE HONEST JOHN ROCKET LAUNCHERS, AND IMPORTANT IMPROVEMENTS IN THE FIELD OF COMMUNICATIONS HAVE BEEN FORESEEN.

6. THE NEW FORCE PROPOSALS TAKE INTO ACCOUNT A NUMBER OF THESE MEASURES WHICH ARE ALREADY IN COUNTRY PLANS (10 OUT OF 18 PROPOSALS). THE PROPOSALS AIM AT MAINTAINING THE MANNING AND TRAINING IN UNITS AS REQUIRED BY ACE FORCE STANDARDS, IMPROVEMENT OF COMMUNICATIONS IN USE IN 1 (BR) CORPOS, LOW-LEVEL AIR DEFENCE (EQUIPPING UNITS WITH RAPIER AND BLOWPIPE), REPLACEMENT OF HONEST JOHN WITH LANCE SURFACE-TO-SURFACE MISSILE LAUNCHERS, ELECTRONIC WARFARE CAPABILITIES, ELECTRONIC COUNTER-MEASURE CAPABILITIES FOR ALL NEW ELECTRONIC EQUIPMENT, NBC DEFENSIVE CAPABILITIES, ARTILLERY MODERNISATION AND ELECTRONIC WARFARE TRAINING.

7. THE MOST SIGNIFICANT PROPOSALS WHICH ARE NOT ALREADY COVERED BY NATIONAL PLANS ARE:

(A) THE REDUCTION OF SHORTFALLS IN OPERATIONAL STOCKS OF EQUIPMENT AND AMMUNITION IN ORDER TO INCREASE THE STOCKS TO A LEVEL OF 30 COBAT DAYS.

APPROXIMATE COST L20 MILLION. (POUNDS)

(B) THE PROVISION OF ELECTRONIC WARFARE CAPABILITY FOR ARMY AIRCRAFT SELF-PROTECTIVE RADAR COUNTERMEASURES CAPABILITY AND AN INFRA-RED COUNTERMEASURE CAPABILITY. APPROXIMATE COST L12 MILLION. (POUNDS)

(C) THE CONTINUATION OF MEASURES TO IMPROVE MEDICAL SUPPORT CAPABILITIES. APPROXIMATE COST L2.8 MILLION. (POUNDS)

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THESE MEASURES COVER ABOUT 90 PCT OF THE TOTAL OF THE COSTED FORCE PROPOSALS FOR THE ARMY.

8. OTHER PROPOSALS CONCERN ELECTRONIC WARFARE CAPABILITIES FOR COMBAT UNITS, AND RAPID BARRIER EMPLACEMENT THROUGH THE PROCUREMENT OF EQUIPMENT FOR THE RAPID DRILLING OF ADM CHAMBERS.

NAVY

9. THE UNITED KINGDOM CONTINUES TO DIRECT ITS PLANNING TOWARDS MAINTAINING A MULTI-PURPOSE NAVY OF MODERN UNITS WITH UP-TO-DATE WEAPONS SYSTEMS, COMMUNICATIONS AND

ELECTRONIC EQUIPMENT.

10. NEW SHIPS ENTERING SERVICE WITHIN THE NEXT FIVE YEARS INCLUDE THE TYPES 21 AND 22 HELICOPTER DESTROYERS AND FRIGATES, TYPE 42 GUIDED MISSILE DESTROYERS, NUCLEAR PROPELLED SUBMARINES, PATROL CRAFT, MINE COUNTERMEASURES VESSELS AND THE FIRST OF THE THROUGH-DECK CRUISERS. FURTHER THERE ARE PLANS TO PROCURE EIGHT ADDITIONAL NIMROD MARITIME PATROL AIRCRAFT AND TEN BUCCANNEER MARITIME AIRCRAFT. THE WEAPON SYSTEMS BEING INTRODUCED INCLUDE SURFACE-TO-AIR AREA DEFENCE MISSILE SYSTEMS, SURFACE-TO-SURFACE MISSILE SYSTEMS, POINT DEFENCE MISSILE SYSTEMS, ASW SYSTEMS AND NEW TYPE TORPEDOES; THERE IS ALSO A PROGRAMME FOR FITTING NEW COMMUNICATIONS EQUIPMENT AND ELECTRONIC WARFARE EQUIPMENT AS WELL AS DATA EXCHANGE SYSTEMS. THE MAJOR NATO COMMANDERS HAVE TAKEN THESE PLANS INTO ACCOUNT IN DEVELOPING THEIR FORCE PROPOSALS.

11. SACEUR HAS SOUGHT TO STRENGTHEN THE NAVAL FORCES IN THE MEDITERRANEAN BY PROPOSING AS A PRIORITY I MEASURE THAT OVER AND ABOVE THE 1978 COUNTRY PLANS, TWO NUCLEAR SUBMARINES (SSN), ONE GUIDED MISSILE DESTROYER LEADER (DLG), THREE HELICOPTER DESTROYERS (DDH) AND ONE CRUISER SHOULD BE DEPLOYED TO THAT AREA BY THE UNITED KINGDOM. SACEUR HAS ASSUMED THAT APART FROM THE ONE CRUISER THESE UNITS COULD BE PROVIDED FROM EXISTING OR PLANNED RESOURCES. HOWEVER, TAKING THE OVERALL PROPOSALS OF THE THREE MAJOR NATO COMMANDERS INTO ACCOUNT, THERE ARE SHORTFALLS THROUGHOUT THE PERIOD AND ANY REALLOCATION OF UNITS TO THE MEDITERRANEAN COULD ONLY BE AT THE EXPENSE OF SACLANT
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OR CINCHAN.

12. THERE ARE ALSO PRIORITY I PROPOSALS TO IMPROVE THE RADAR EQUIPMENT ON ALL MAJOR COMBAT UNITS AND TO ACQUIRE SEVEN ADDITIONAL MARITIME PATROL AIRCRAFT.

13. THE PRIORITY II MEASURES FOR SACEUR WHICH CALL FOR AN ADDITIONAL EFFORT BY THE COUNTRY ARE THOSE RELATING TO THE DEFENCE OF THE STRAITS OF GIBRALTAR WHICH INVOLVE THE INSTALLATION OF A FIXED UNDERWATER SURVEILLANCE SYSTEM, THE ACQUISITION OF EIGHT ASW HELICOPTERS AND THE SETTING UP OF A SHORE-TO-SHIP MISSILE SYSTEM; PROPOSALS TO IMPROVE THE DATA LINK SYSTEMS, AND THE CONTINUED PROVISION OF A LIFT SUPPORT CAPABILITY IN THE MEDITERRANEAN AND OF A CONTRIBUTION TO STANAVFORMED.

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14. SACLANT'S PRIORITY I PROPOSALS SEEK TO MAINTAIN THE EXISTING CAPABILITIES OF THE ARRACK AIRCRAFT CARRIER AND HELICOPTER CRUISERS UNTIL THREE THROUGH DECK CRUISERS ARE INTRODUCED INTO SERVICE. THE FORCE PROPOSAL TO CONSTRUCT TWO OF THESE SHIPS IN ADDITION TO THE ONE ALREADY EARMARKED IS NOT IN COUNTRY PLANS BEFORE 1980, AND SACLANT'S PROPOSAL THEREFORE IMPLIES THAT THIS CONSTRUCTION PROGRAMME SHOULD BE EXPEDITED. IN THE SAME VEIN THERE ARE PRIORITY I PROPOSALS TO EXPEDITE THE RATE OF CONSTRUCTION OF GUIDED MISSILE DESTROYER LEADERS (DLG) TO TWO PER YEAR, NUCLEAR SUBMARINES (SSN) TO ONE PER YEAR, AND FRIGATES REPLACEMENT ON A ONE-FOR-ONE BASIS. THESE RATES ARE NOT CURRENTLY PLANNED BY THE UNITED KINGDOM ALTHOUGH IN OVERALL NUMBERS THERE IS NO GREAT DISCREPANCY. OVER AND ABOVE THE 1978 COUNTRY FORCE LEVELS, SACLANT ALSO REQUESTS FOUR SSNS, EIGHT DLGS, FOUR FRIGATES, SIX MARITIME PATROL AIRCRAFT, 22 ASW HELICOPTERS, SIX ATTACK RECONNAISSANCE AIRCRAFT, SIX PHANTOMS AND THE OPERATIONAL CONTROL OF A NUMBER OF UNDERWAY REPLENISHMENT SHIPS BY 1980.

15. MANY OF SACLANT'S QUALITATIVE FORCE PROPOSALS ARE ALREADY IN COUNTRY PLANS. THOSE WHICH ARE ADDITIONAL AND HAVE BEEN ACCORDED PRIORITY I INCLUDE THE DEVELOPMENT AND
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INSTALLATION OF A SUB-SURFACE-TO-SURFACE LONG-RANGE MISSILE SYSTEMS FOR THE NUCLEAR SUBMARINES; PROVISION OF A SECURE VOICE CAPABILITY IN SHIPS AND AIRCRAFT; EQUIPPING OF THREE COUNTY CLASS GUIDED MISSILE DESTROYERS LEADERS WITH A SURFACE-TO-SURFACE MISSILE CAPABILITY. PRIORITY II AND III PROPOSALS INCLUDE THE PROVISION OF ADDITIONAL MINELAYING CAPABILITY FOR MARITIME PATROL AIRCRAFT AND BUCCANNEER ATTACK RECONNAISSANCE AIRCRAFT; THE FITTING OF ANTI-AIR MISSILE SYSTEMS IN SUBMARINES. SACLANT ALSO PROPOSES THAT CONSIDERATION SHOULD BE GIVEN TO THE FEASIBILITY OF DEVELOPING A LESS SOPHISTICATED MARITIME PATROL AIRCRAFT FOR SURVEILLANCE AND SHADOWING OPERATIONS.

16. CINCHAN'S FORCE PROPOSALS FOR THE MOST PART AIM TOWARDS MAINTAINING THE SAME LEVEL OF FORCES AS ARE PRESENTLY EARMARKED, EXCEPT FOR A REQUIREMENT OF TWO ADDITIONAL MARITIME PATROL AIRCRAFT OVER AND ABOVE THE PRESENT LEVEL AND TWO ASW SHORE-BASED HELICOPTERS.

17. MANY OF CINCHANS QUALITATIVE PROPOSALS ARE ALREADY INCLUDED IN COUNTRY PLANS. EXCEPTIONS ARE THE PROPOSAL TO UPGRADE THE CATEGORY OF ASW HELICOPTERS TO ACHIEVE 20 IN CAT. A1 (THERE ARE NONE IN CAT. A1 AT PRESENT) AND THE PROPOSALS SRELATED TO THE REPLACEMENT IN THE LONG TERM OF THE PRESENT MINE COUNTER-MEASRUES (MCM) FORCE AND THE WESSEX ASW HELICOPTERS.

18. THE FOLLOW-ON PROGRAMME FOR THE NEXT GENERATION OF MCM VESSELS IS NOT ONLY IMPORTANT FROM THE POINT OF VIEW OF IMPROVED CAPABILITIES BUT ALSO AS REGARDS THE OPPORTUNITIES WHICH EXIST FOR JOINT PRODUCTION WITH OTHER MEMBER COUNTRIES OF NATO WHOSE REPLACEMENT PROGRAMMES FOR THESE SHIPS ARE DUE AT ABOUT THE SAME TIME.

19. THE TOTAL ADDITIONAL UNITS REQUIRED BY THE THREE MAJOR NATO COMMANDERS OVER AND ABOVE THE 1978 PLANNED FORCE LEVELS, TO MEET THEIR FORCE PROPOSALS ARE TWO THROUGH DECK CRUISERS, ONE CRUISER, SIX NUCLEAR SUBMARINES, NINE GUIDED MISSILE DESTROYER LEADERS, SEVEN FRIGATES, SEVEN MARITIME PATROL AIRCRAFT, 32 HELICOPTERS, SIX BUCCANNEER AIRCRAFT AND SIX PHANTOM AIRCRAFT.

20. THESE MEASRUES OVER AND ABOVE THE 1978 COUNTRY
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PLANS HAVE BEEN ESTIMATED TO COST ABOUT L980 MILLION (POUNDS), BUT IT IS RECONGISED THAT THE LONG TERM PLANS OF THE UNITED KINGDOM, FOR
EXAMPLE THE TWO ADDITIONAL THROUGH DECK CRUISERS REQUESTED ARE TENTATIVELY PLANNED BY THE UNITED KINGDOM TO ENTER SERVICE IN 1980 AND 1981.

21. THE QUALITATIVE ITEMS COSTED OVER AND ABOVE COUNTRY PLANS AMOUNT TO ABOUT L30 MILLION, BUT IT SHOULD BE NOTED THAT THERE ARE SOME SIX PROPOSALS WHICH COULD NOT BE COSTED THROUGH LACK OF PRECISE PROPOSALS AND COST DATA.

22. COMPARISON OF FORCE PROPOSAL TABLES AND COUNTRY PLANS UP TO 1978 INDICATE REQUIREMENTS FOR INCREASES IN THE READINESS AND AVAILABILITY OF UNITS, BOTH OF WHICH IMPLY ADDITIONAL MONEY AND MANPOWER. THE FIGURES, HOWEVER, HAVE NOT BEEN COSTED THROUGH LACK OF PRECISE DATA. THERE ARE CHANGES WITHIN THE 15 CATEGORIES OF READINESS AND AVAILABILTIY AND THE FOLLOWING SHOW ONLY THE INCREASES CALLED FOR IN CATEGORY A.1:

NUCLEAR SUBMARINES - NIL

GUIDED MISSILE

DESTROYERS: - 2 IN 1975, 1 IN 1976, 1 IN 1978

DESTROYERS - 3 IN 1975, 3 IN 1976, 4 IN 1977, 5 IN 1978.

AIR FORCE

23. THE MAIN FEATURE OF THE COUNTRY PLANS FOR THE PERIOD 1974-1978 IS THE INTRODUCTION OF THE JAGUAR WHICH WILL REPLACE THE PHANTOM IN THE FIGHTER BOMBER STRIKE ATTACK (FBSA), FIGHTER BOMBER ATTACK (FBA) AND TACTICAL RECONNAISSANCE ROLES ON A SQUADRON FOR SQUADRON BASIS WITH AN INCREASED UE. THE INTRODUCTION OF THE JAGUAR WILL ENABLE THE PHANTOM TO TRANSFER TO THE ALL-WEATHER AIR DEFENCE (AWX) ROLE AND REPLACE THE LIGHTNING. THE SIZE OF THE RADAR RECONNAISSANCE SQUADRON WILL BE INCREASED BY TWO AIRCRAFT WHEN VULCANS REPLACE THE CURRENT AIRCRAFT IN 1974, SO THAT THE LATTER MAY BE CONVERTED TO THE TANKER ROLE. THE RADAR RECONNAISSANCE SQUADRON WILL
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CONTINUE TO BE EARMARKED TO SACEUR FOR OPERATIONS IN AFSOUTH AND AFNORHT. IN THE LONGER TERM THE MOST IMPORTANT RE-EQUIPMENT PROGRAMME PLANNED FOR THE ROYAL AIR FORCE IS THE INTRODUCTION OF THE MULTIROLE COMBAT AIRCRAFT (MRCA), PROGRESSIVELY FROM THE END OF THE DECADE.

24. THE ACTIVE DEFENCE OF AIRFIELDS WILL BE IMPROVED BY THE INTRODUCTION OF RAPIER SURFACE-TO-AIR MISSILE WEAPONS SYSTEM STARTING IN 1974. MODERNISATION OF THE AIR MUNITIONS INVENTORY HAS ALREADY BEEN INITIATED AND AN AMOUNT OF 136 MILLION POUNDS IS ALLOTTED TO ACQUIRE IMPROVED CONVENTIONAL WEAPONS. ALSO INCLUDED IN THE COUNTRY PLANS IS A MAJOR PROGRAMME AMOUNTING TO 121.5 MILLION POUNDS FOR FITTING PASSIVE ACM EQUIPMENT TO THE OFFENSIVE AND DEFENSIVE AIRCRAFT AND ACTIVE ECM EQUIPMENT OF THE OFFENSIVE AND RECONNAISSANCE AIRCRAFT.

25. THE MAIN THRUST OF THE FORCE PROPOSALS IS DIRECTED TOWARDS AN INCREASE OF UNIT ESTABLISHMENT OF PHANTOMS IN EXISTING SQUADRONS AND TO THE PROCU
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27. IN THE FIELD OF ELECTRONIC WARFARE, THE FORCE PROPOSALS ENDORSE THE COUNTRY PLANS CONCERNING THE PROVISION OF PASSIVE ECCM EQUIPMENT TO THE OFFENSIVE AND DEFENSIVE AIRCRAFT AND OF THE ACTIVE ECM EQUIPMENT TO THE OFFENSIVE AND RECONNAISSANCE AIRCRAFT (A TOTAL OF 21.5 MILLION POUNDS). THERE ARE ALSO PROPOSALS FOR INFRA-RED WARNING SYSTEM AND INFRA-RED COUNTERMEASURES EQUIPMENT TO BE INSTALLED IN OFFENSIVE AND DEFENSIVE AIRCRAFT. THE PROVISION OF ELECTRONIC WARFARE TRAINING AND OF ELECTRONIC WARFARE SUPPORT IS RECOMMENDED IN THE FORCE PROPOSALS IN CONJUNCTION WITH OTHER NATO COUNTRIES. FOR THE FORMER, THE COST OF SUCH A FACILITY IS ESTIMATED AT 10 MILLION U.S. DOLLARS, NOT INCLUDING THE COMPUTER. AS REGARDS THE LATTER, THE PROPOSAL FURTHER RECOMMENDS INVESTIGATION OF THE POSSIBILITY OF HAVING MULTINATIONAL UNITS THROUGHOUT ACE. SHAPE ESTIMATES THAT EA6-B AND NIMROD TYPE OF AIRCRAFT WOULD PROVIDE THIS CAPABILITY.

28. THE FORCE PROPOSALS HIGHLIGHT THE NEED TO PROVIDE A NIGHT/ALL WEATHER CAPABILITY FOR HARRIER AIRCRAFT. THIS IMPROVEMENT IS NOT INCLUDED IN COUNTRY PLANS AND THERE IS AN ESTIMATED COST OF 6.4 MILLION POUNDS. THE MODERNISATION OF THE CONVENTIONAL WEAPONS AND AIR DELIVERED MUNITIONS IS INCLUDED IN SECRET

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THE COUNTRY PLANS FOR AN AMOUNT OF 136 MILLION POUNDS.

29. THE NEED TO COMPLETE PLANS FOR THE RECEPTION AND SUPPORT OF AUGMENTATION FORCES AND PLANS FOR FORWARD DEPLOYMENT OR AIR FORCES AS SOON AS POSSIBLE IS ALSO ADDRESSED. THIS PROPOSAL WAS NOT POSSIBLE TO COST.

III. ASSESSMENT OF THE ECONOMIC AND FINANCIAL IMPLICATIONS THE ECONOMIC SITUATION AND OUTLOOK

30. IN 1973, GROSS NATIONAL PRODUCT PER CAPITA WAS THE 9TH HIGHEST IN NATO EUROPE, THE 11TH HIGHEST IN THE ALLIANCE, AND THE LOWEST AMONG THE INDUSTRIALISED NATO COUNTRIES WITH THE EXCEPTION OF ITALY. ON THE OTHER HAND, THE PROPORTION OF GNP DEVOTED TO DEFENCE WAS ABOUT 6 PCT, WELL ABOVE THE NATO EUROPE AVERAGE OF 4.2 PCT. REAL GROWTH OF GNP WAS SOME 6 PCT. HOWEVER THE INFLATION RATE (ABOUT 7PCT) WAS SOMEWHAT HIGHER THAN IN MOST OTHER EUROPEAN COUNTRIES. IN THE SHORT TERM THE ECONOMIC

GROWTH PROSPECTS ARE LESS FAVOURABLE AS A CONSEQUENCE OF LABOUR UNREST, HIGH INFLATION RATES AND INCREASINGLY SERIOUS BALANCE OF PAYMENTS DEFICITS. DURING THE SECOND HALF OF THE DECADE THE UNITED KINGDOM ECONOMY WILL, HOWEVER, BENEFIT INCREASINLY FROM THE DEVELOPMENT OF NORTH SEA OIL RESERVES WHICH WILL IMPROVE THE GROWTH PROSPECTS AND ALLEVIATE BALANCE OF PAYMENTS DIFFICULTIES.

THE CURRENT FORCE PLANS AND EXPENDITURES

31. INFORMATION ON THE FORCE PLAN OF THE UNITED KINGDOM WAS GIVEN BY THE UNITED KINGDOM AUTHORITIES IN THEIR REPLY TODPQ(73).

DEFENCE EXPENDITURES IN REAL TERMS WERE PROJECTED TO DECLINE BY ABOUT 3PCT IN 1974, TO RISE BY 4.5 PCT IN 1975, AND TO HOLD EVEN IN 1976. ACCORDING TO NATIONAL PLANS (PUBLIC EXPENDITURES WHITE PAPER), DEFENCE EXPENDITURES ARE PROJECTED TO RISE BY A YEARLY AVERAGE OF 1.6 PCT IN VOLUME UP TO 1977/78. NO INFORMATION IS AVAILABLE ON THE REMAINING YEARS OF THE PERIOD COVERED BY THE FORCE PROPOSALS. FOR THE PURPOSES OF THE CALCULATIONS IN THE FOLLOWING PARAGRAPHS IT HAS BEEN ASSUMED, HOWEVER, THAT AN AVERAGE YEARLY RATE OF 1.6 PCT WILL APPLY FOR THE PERIOD 1975-1980 AS A WHOLE. (SEE TABLE BELOW)

FINANCIAL AND ECONOMIC TABLE

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UNITED KINGDOM
(L- MILLION - 1972 CONSTANT PRICES)

	1975	1976	1977	1978	1979	1980
GROSS NAT'L PRODUCT						
(AT FACTOR COST)(1)	60,802	62,991	65,259	67,608	70,042	72,564
DEF EXPENDITURES(2)						
(A) PROJ EXP BASED ON NAT'L PLANS(3)	3,431	3,486	3,542	3,599	3,657	3,716
(B) PROJ EXP BASED ON MINISTERIAL GUIDANCE(4)						
- & HIGHER GNP GROWTH	3,568	3,696	3,829	3,967	4,110	4,258
- & LOWER GNP GROWTH	3,492	3,580	3,669	3,761	3,855	3,951

DEF EXP AS A PCT OF GNP

- NATIONAL PLANS 5.6 5.5 5.4 5.3 5.2 5.1

NOTES

THE FIGURES SHOWN IN THE ABOVE TABLE ARE THE INTERNATIONAL STAFF'S PROJECTIONS OF THE LIKELY TREND OF GNP AND POSSIBLE ALTERNATIVE TRENDS IN DEFENCE EXPENDITURES. WHEREVER POSSIBLE, THEY ARE BASED ON THE DATA CONTAINED IN THE 1973 COUNTRY CHAPTER (DPC/D(73)23- UNITED KINGDOM). SPECIFIC INFORMATION ON THE METHOD APPLIED TO THE CALCULATIONS IS PROVIDED IN THE FOLLOWING NOTES:

(1) BASIS - GNP FOR 1973 AT 1972 PRICES: L56,650
YEARLY PERCENTAGE CHANGE IN VOLUME: 3.6 PCT (1973-80) OECD
PROJECTION.

(2) FIGURES ON DEFENCE EXPENDITURES DURING FISCAL YEARS (E.G. APRIL
1974 TO MARCH 1975) ARE ATTRIBUTED IN THIS REPORT TO THE NEAREST
CALENDAR YEAR (E.G., FY 1974/75 - CY 1974)

(3) BASED ON THE 1973 EXPENDITURE FIGURE (L3,324) ADJUSTED
TO 1972 PRICES (I.E. A PRICE RISE 1972/73 OF ABOUT
6.5 PCT AND INCREASED BY 1.6 PCT YEARLY (SEE DPC/D(73)23-UK,
PARA 95).

(4) THE MINISTERIAL GUIDANCE (DPC/D(73)8) CONCERNING RESOURCES
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ADDITIONAL EXPENDITURE REQUIRED TO COVER THE FORCE PROPOSALS

32. TENTATIVE ESTIMATES OF THE COST OF THE FORCE
PROPOSALS, WHICH ARE ADDITIONAL TO CURRENT COUNTRY FORCE
PLANS, ADD UP TO ABOUT POUNDS 1140 MILLION, 5.3 PCT MORE THAN THE
AGGREGATE VALUE OF THE CURRENT NATIONAL PLAN(1). THIS SUM
DOES NOT, HOWEVER, COVER SOME 13 FORCE PROPOSALS WHICH COULD NOT BE
COSTED BECAUSE OF THE NATURE OF THE PROPOSAL OR UNAVAILABILITY
OF COST DATA. OF THE COSTED PROPOSALS, 10(POUND1009 MILLION)
ACCOUNT FOR SOME 89PCT OF THE TOTAL ADDITIONAL COST(POUND1140 MILLION
),
MOST OF WHICH RELATES TO THE NAVY.

THE FEASIBILITY OF THE FORCE PROPOSALS

33. IN THE CASE OF THE UNITED KINGDOM, THE IMPLEMENTATION OF AN AVERAGE YEARLY RATE OF GROWTH OF DEFENCE EXPENDITURES OF 1.6 PCT, AS IMPLICIT IN NATIONAL PLAN FIGURES, IS WELL BELOW THE RATE INDICATED BY THE RESOURCE GUIDANCE TO THE NATO MILITARY AUTHORITIES MADE BY MINISTERS, JUNE 1973, WHICH WOULD HAVE IMPLIED A YEARLY RATE OF GROWTH OF DEFENCE EXPENDITURES OF 3.6 PCT WHEN BASED ON PROJECTIONS OF GNP GROWTH

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(1) AS PROJECTED BY THE INTERNATIONAL STAFF FOR THE 6 YEARS 1975-80 ON THE BASIS OF INFORMATION REPORTED IN DPC/D(73)23-UNITED KINGDOM.

REPORTED BY THE OECD IN 1972(1). THIS GROWTH RATE, WHICH IN VIEW OF THE ENERGY CRISIS MIGHT BE CONSIDERED AS AN UPPER LIMIT, WOULD HAVE ADDED APPROXIMATELY POUNDS2,000MILLION OVER AND ABOVE THE LEVEL IMPLICIT IN THE CURRENT NATIONAL PLANS. HOWEVER, SUCH INCREASES MUST BE VIEWED AGAINST THE PRESENT CONSIDERABLE ECONOMIC EFFORT BEING MADE FOR NATO DEFENCE. MOREOVER, IT MIGHT BE THAT THE RATE OF GROWTH OF GNP WILL BE LOWER THAN THE OECE PROJECTION FOR THE PERIOD COVERED. IF, FOR EXAMPLE, WE ASSUME A GROWTH RATE OF 2.5 PCT (AND A CONSTANT PROPORTION OF GNP ALLOTTED TO DEFENCE, AS CALLED FOR IN THE MINISTERIAL GUIDANCE), THIS WOULD PRODUCE EXTRA RESOURCES FOR DEFENCE PURPOSES OF ALMOST POUNDS900 MILLION OVER THE PERIOD. THIS WOULD ENABLE ABOUT 80PCT OF THE COSTED FORCE PROPOSALS TO BE IMPLEMENTED.

FINANCIAL AND ECONOMIC IMPLICATIONS OF DRC RECOMMENDATIONS

34. (TO BE COMPLETED AFTER THE DRC REVIEW)

FINAL ASSESSMENT OF THE FEASIBILITY OF THE DRAFT FORCE GOALS

35. (TO BE COMPLETED AFTER THE DRC REVIEW)

IV. RESULTS OF THE MULTILATERAL EXAMINATION BY THE DRC

36. THE MILITARY COMMITTEE HAS STATED THAT IT IS SATISFIED THAT ITS FORCE PROPOSALS FOR 1975-80 ARE COMPATIBLE WITH THE MINISTERIAL GUIDANCE, FULLY REFLECT THE THRUST OF AD 70 AND THE BASIC ISSUES, PROPERLY REFLECT THE MINIMUM REQUIREMENTS FOR MAJOR NATO COMMANDERS TO EXECUTE THEIR MISSION, INCLUDE PROPOSALS DESIGNED TO OFFSET THE CRITICAL DEFICIENCIES PREVIOUSLY IDENTIFIED IN COUNTRY FORCE PLANS, AND OFFER A CONSIDERABLE CHALLENGE TO NATIONS.

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(1) "EXPENDITURE TRENDS IN OECD COUNTRIES 1970-1980", JULY 1972

37. IN ACCORDANCE WITH THE PROCEDURE, THE DEFENCE REVIEW COMMITTEE HAS EXAMINED THE MILITARY COMMITTEE'S FORCE PROPOSALS ON BEHALF OF THE DEFENCE PLANNING COMMITTEE. ANALYSES OF THE NON-MILITARY IMPLICATIONS OF THE FORCE PROPOSALS AND THEIR POLITICAL, FINANCIAL AND ECONOMIC FEASIBILITY SUMMARISED ABOVE LEAD TE DEFENCE REVIEW COMMITTEE TO RECOMMEND CERTAIN AMENDMENTS AND MODIFICATIONS BEARING IN MIND THAT IN DEVELOPING FORCE GOALS, IT SHOULD NOT BE THE AIM TO TAILOR MILITARY PROPOSALS TO A SIMPLE PROJECTION OF KNOWN COUNTRY PLANS; THE GOALS SHOULD STRIKE A BALANCE BETWEEN MILITARY REQUIREMENTS, AVAILABLE RESOURCES AND POLITICAL CONSIDERATIONS. THEY SHOULD REPRESENT A DESIRABLE OBJECTIVE OF CO-ORDINATED NATO FORCE PLANNING AND PRESENT THE UNITED KINGDOM WITH A REASONABLE CHALLENGE IN THE ALLOCATION AND EFFECTIVE APPLICATION OF RESOURCES.

38. AS A RESULT, THE DEFECE REVIEW COMMITTEE RECOMMENDS THE ADOPTION OF THE MILITARY COMMITTEE'S FORCE PROPOSALS AS NATO FORCE GOALS SUBJECT TO THE FOLLOWING CHANGES:

(TO BE COMPLETED AFTER DRC REVIEW).

V. LOW COST/NO COST ITEMS(1)

VI. OPPORTUNITIES FOR STANDARDISATION AND CO-OPERATION IN DEVELOPMENT AND PROCUREMENT OF WEAPONS SYSTEMS(1)

VII. RECOMMENDATIONS(1)

(1) TO BE COMPLETED AFTER DRC REVIEW

END TEXT
MCAULIFFE

SECRET

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 11 JUN 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: powellba2
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ATO01220
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: 11652 GDS, 12-31-82
Errors: n/a
Film Number: n/a
From: NATO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740381/abbrytpn.tel
Line Count: 584
Locator: TEXT ON-LINE
Office: n/a
Original Classification: SECRET
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators:
Previous Classification: SECRET
Previous Handling Restrictions: n/a
Reference: USNATO 1014
Review Action: RELEASED, APPROVED
Review Authority: powellba2
Review Comment: n/a
Review Content Flags:
Review Date: 09 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 APR 2002 by ifshinsr>; APPROVED <30-Aug-2002 by garlanwa>; APPROVED <09 JUN 2005 by powellba2>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NATO FORCE PROPOSALS/GOALS - UNITED KINGDOM
TAGS: MCAP, NATO
To: STATE
SECDEF INFO LONDON
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005